STATE OF NORTH DAKOTA COUNTY OF BURLEIGH

BEFORE THE SECURITIES COMMISSIONER

In the Matter of Ronald Sparkman) CONSENT ORDER
Respondent.	

The North Dakota Securities Commissioner has determined, and respondent, Ronald Sparkman, admits as follows:

- On November 3, 2000, the North Dakota Securities Commissioner issued a Cease and Desist Order against the Ronald Sparkman and several other persons and entities.
- 2. Sparkman, in conjunction with other persons, offered for sale and sold investments, including stock and warrants in Samurai Capital, Inc., a Nevada Croproation, (Samurai) to residents of North Dakota in violation of §10-04-04 N.D.C.C. The purchase of the Samurai investments was for the purpose of investing in a Bolivian Gold Mining venture by the name of "Grupo Inverso Rio Del Sol". The subject investments are securities as defined in §10-04-02(15) N.D.C.C.
- 3. The subject investments have not been registered with the Securities Commissioner under §10-04-07; §10-04-07.1; §10-04-08; or §10-04-08.1 N.D.C.C.; are not exempt securities under §10-04-05 N.D.C.C; and have not been offered for sale or sold in exempt transactions under §10-04-06 N.D.C.C.
- 4. The Commissioner Concludes that each sale was made in violation of section 10-04-04 N.D.C.C. because the securities were not registered in North Dakota, nor were they exempt from registration under the Securities Act.

- 5. Neither Sparkman nor any of the other persons involved in this matter were registered as brokers or agents in violation of §10-04-10 N.D.C.C.
- 6. The Commissioner Concludes that each sale was made in violation of section 10-04-10 N.D.C.C. because the respondents were not registered as an agent in North Dakota, nor did the transaction constitute an exempt transaction under the Securities Act.
- 7. Pursuant to section 10-04-16 N.D.C.C., when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may, in his discretion, issue any order and collect civil penalties against any person found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$40,000 for each violation.
- 8. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against respondent pursuant to section 10-04-16 N.D.C.C.
- 9. Respondent, Ronald Sparkman, has admitted the factual conclusions and all legal conclusions set forth above, except for the legal conclusions contained in paragraph 8. Sparkman enters into this Order willingly and acknowledges his right to a hearing regarding this matter to present arguments before the Commissioner, and have waived all rights to a hearing regarding this matter.
- 10. The following Order is necessary and appropriate in the public interest.
 NOW, THEREFORE, IT IS ORDERED, THAT:
 - 1. Respondent, Ronald Sparkman, shall pay to the Securities Commissioner, pursuant to section 10-04-16 N.D.C.C., a civil penalty in the amount of \$10,000.

- 2. Respondents shall pay, as partial rescission for the investments illegally made, \$40,000 to Bernard Schumacher and the Dakota Partners, who though signing a general release in favor of Ronald Sparkman, shall retain their rights with regard to the other respondents in the Cease and Desist Order issued on November 3, 2000, and shall retain their interests in Sun River Mining, Inc.
- 3. Respondent, Ronald Sparkman, is ordered to refrain from offering for sale or selling in North Dakota the subject investment, or any other investment interest however denominated, unless and until such investment interests have been registered with the Securities Commissioner. Additionally, Ronald Sparkman is ordered to refrain from offering for sale or selling investments in North Dakota unless and until he is registered with the Securities Commissioner as an agent. Further, Ronald Sparkman is ordered to refrain from making any false statements, or omitting from material facts in the offer or sale of securities, or engaging in any other fraudulent acts or practices.
- 4. The Cease and Desist Order, as issued on November 3, 2000, shall remain in effect, with respect to all parties except Ronald Sparkman, who is herein released from that Cease and Desist Order.

5. This Order shall be effective upon signature of the Commissioner.

IN TESTIMONY WHEREOF, witness my hand and seal this . 2

day of May, 2001.

Syver Vinje, Securities Commissioner

Office of the Securities Commissioner

600 East Boulevard Ave.

State Capitol - Fifth Floor

Bismarck, ND 58505-0510

(701) 328-2910

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Ronald Sparkman)	CONSENT TO ENTRY OF ORDER
Respondents.)	

The undersigned Respondent, Ronald Sparkman, states that they has read the foregoing Consent Order, and that he knows and fully understands its contents and effects. Sparkman further acknowledges that he has waived his right to a hearing with respect to this matter; and that he consents to the entry of the Consent Order by the Securities Commissioner, and expressly admit the findings of fact and conclusions of law contained therein. It is further expressly understood that the Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

Ronald Sparkman 11215 Chase Court Broomfield, CO 80020

Sworn before me this $15^{\frac{11}{2}}$ day of $\frac{\text{May}}{\text{A}}$, 2001.

NOTARY

NOTARY

PUBLIC

OF COLOR

, notary public

State of: Colorado, County: Jefferson

My Commission Expires:

4/3/03